



(BILLING CODE 3510-P)

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-912]

Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2013-2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On October 9, 2015, the Department of Commerce (“Department”) published the preliminary results of the administrative review of the antidumping duty order on certain new pneumatic off-the-road tires (“OTR tires”) from the People’s Republic of China (“PRC”).¹ The period of review (“POR”) is September 1, 2013, through August 31, 2014. Based on our analysis of the comments received, we made certain changes in the margin calculations. The final dumping margins for this review are listed in the “Final Results” section below.

DATES: *Effective Date:* (insert date of publication in the *Federal Register*).

FOR FURTHER INFORMATION CONTACT: Andrew Medley or Amanda Mallott, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4987 and (202) 482-6430, respectively.

SUPPLEMENTARY INFORMATION:

Background

We conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (“the Act”). These final results of administrative review cover nine

¹ See *Certain New Pneumatic Off-the-Road Tires From the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2013–2014*, 80 FR 61166 (October 9, 2015) (“*Preliminary Results*”).

exporters of subject merchandise.² The Department finds that of these nine exporters, two mandatory respondents, Qingdao Qihang Tyre Co., Ltd. (“Qihang”) and Xuzhou Xugong Tyres Co., Ltd. (“Xugong”),³ made sales of subject merchandise at less than normal value (“NV”), and, an additional four companies, Qingdao Free Trade Zone Full-World International Trading Co., Ltd. (“Full-World”), Trelleborg Wheel Systems (Xingtai) China, Co. Ltd. (“TWS Xingtai”) and Weihai Zhongwei Rubber Co., Ltd. (“Zhongwei”), and Tianjin Leviathan International Trade Co., Ltd. (“Leviathan”), demonstrated eligibility for separate rates status. Further, the Department determines that Zhongce Rubber Group Company Limited (“Zhongce”) and Trelleborg Wheel Systems Hebei Co. (“TWS Hebei”) had no shipments during the POR and Qingdao Haojia (Xinhai) Tyre Co. (“Haojia”) failed to demonstrate eligibility for separate rate status.

On October 9, 2015, the Department published its *Preliminary Results* of the antidumping duty administrative review of OTR tires from the PRC and invited interested parties to comment on the preliminary results. We received case and rebuttal briefs from Titan Tire Corporation and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (“Petitioners”) and both Qihang and Xugong. We also received case briefs from TWS Xingtai. On March 17, 2016, the Department held a public hearing at the request of respondents and Petitioners. For a further discussion of the events that occurred in this investigation subsequent to the *Preliminary Results*,

² We initiated a review of 12 companies. *See Initiation of Antidumping and Countervailing Duty Administrative Review*, 79 FR 64565 (October 30, 2014) (“*Initiation Notice*”). Double Coin Holdings Ltd. and its affiliate China Manufacturers Alliance (collectively, “Double Coin”), and Guizhou Tyre Co., Ltd. and its affiliate Guizhou Tyre Import and Export Co., Ltd. (collectively, “GTC”), timely withdrew their requests for review, and on February 24, 2015, the Department rescinded the review for Double Coin and GTC pursuant to 19 CFR 351.213(d)(1). *See Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Partial Rescission of Antidumping Duty Administrative Review; 2013-2014*, 80 FR 9695 (February 24, 2015).

³ In the *Preliminary Results* we determined, in accordance with 19 CFR 351.401(f), to treat affiliated producers Xugong, Xuzhou Armour Rubber Company Ltd. (“Armour”) and Xuzhou Hanbang Tyre Co., Ltd. (“Hanbang”) as a single entity (collectively, “Xugong”). No party has challenged this collapsing decision.

see the Issues and Decision Memorandum.⁴ Also, as explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department exercised its authority to toll all administrative deadlines due to the recent closure of the Federal Government.⁵ As a consequence, all deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final results is now April 12, 2016. The Department conducted this review in accordance with 751 of the Act.

Scope of the Order

The merchandise covered by this order includes new pneumatic tires designed for off-the-road and off-highway use, subject to certain exceptions. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive.⁶

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a

⁴ *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Issues and Decision Memorandum for Final Results of Antidumping Duty Administrative Review: Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China; 2013-2014,” dated concurrently with this notice (“Issues and Decision Memorandum”).

⁵ *See* Memorandum to the File from Ron Lorentzen, Acting A/S for Enforcement & Compliance, “Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas” dated January 27, 2016.

⁶ For a complete description of the scope of the order, *see* Issues and Decision Memorandum.

public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at <http://access.trade.gov> and it is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://www.trade.gov/enforcement/>. The signed Issues and Decision Memorandum and electronic version of the Issues and Decision Memorandum are identical in content.

Final Determination of No Shipments

As noted in the *Preliminary Results*, we received a no-shipment certification from Zhongce and TWS Hebei.⁷ Consistent with its practice, the Department asked U.S. Customs and Border Protection ("CBP") to conduct a query on potential shipments made by Zhongce and TWS Hebei during the POR; CBP did not provide any evidence contradicting the no-shipment claims.⁸ No interested parties provided comments. Thus, based on Zhongce's and TWS Hebei's certifications and our analysis of CBP information, we determine that Zhongce and TWS Hebei did not have any reviewable transactions during the POR.

Final Determination of Affiliation and Collapsing

We continue to find that Xugong, Armour, and Hanbang are affiliated pursuant to section 771(33)(E) of the Act and should be collapsed together and treated as a single company (collectively, "Xugong"), pursuant to the criteria laid out in 19 CFR 351.401(f)(1)-(2).⁹

Separate Rates

In the *Preliminary Results*, we determined that Xugong, Qihang, Full-World, TWS Xingtai, Zhongwei, and Leviathan are eligible for separate-rate status; we also determined that

⁷ See *Preliminary Results*, 80 FR at 61167.

⁸ See CBP Message Number 5141301, dated May 21, 2015.

⁹ See *Preliminary Results*, 80 FR at 61167. No party commented on this issue in their case briefs.

Haojia was not eligible for a separate rate, and thus was part of the PRC-wide Entity.¹⁰ We made no changes to these determinations for the final results.

Rate for Non-Examined Companies Which Are Eligible for a Separate Rate

The statute and the Department's regulations do not address the establishment of a rate to be applied to respondents not selected for individual examination when the Department limits its examination of companies subject to the administrative review pursuant to section 777A(c)(2)(B) of the Act. Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents not individually examined in an administrative review. Section 735(c)(5)(A) of the Act articulates a preference for not calculating an all-others rate using rates which are zero, *de minimis*, or based entirely on facts available ("FA").¹¹ Accordingly, the Department's usual practice has been to determine the dumping margin for companies not individually examined by averaging the weighted-average dumping margins for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.¹² Consistent with this practice, in this review, we have calculated weighted-average dumping margins for the two mandatory respondents Qihang and Xugong, and these dumping margins are above *de minimis* and are not based entirely on FA. Therefore, because we have publicly-ranged shipment data on the record from both Qihang and Xugong, we are assigning to

¹⁰ See *Preliminary Results*, 80 FR at 61167-61168, and accompanying Preliminary Decision Memorandum at the "Separate Rates" section. No parties commented on this issue in their case briefs.

¹¹ See *Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews and Rescission of Reviews in Part*, 73 FR 52823, 52824 (September 11, 2008), and accompanying Issues and Decision Memorandum at Comment 16.

¹² See, e.g., *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007).

Leviathan, Full-World, TWS Xingtai, and Zhongwei the weighted-average of the margins calculated for Qihang and Xugong, as the separate rate for this review.¹³

Changes Since the Preliminary Results

Based on an analysis of the comments received, we made certain calculation programming changes and revisions to the valuation of certain factors of production. For further details on the changes we made for these final results, see the Issues and Decision Memorandum. *See also* Memorandum to the File, “Final Results of the 2013-2014 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic off-The-Road Tires from the People’s Republic of China: Surrogate Value Memorandum,” dated concurrently with this notice; Memorandum to the File, “2013-2014 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Analysis of the Final Results Margin Calculation for Qingdao Qihang Tyre Co., Ltd.,” dated concurrently with this notice; and Memorandum to the File, “2013-2014 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Analysis of the Final Results Margin Calculation for Xuzhou Xugong Tyres Co., Ltd.,” dated concurrently with this notice.

¹³ *See* Memorandum to the File, “2013-2014 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People’s Republic of China: Final Results Margin Calculation for Separate Rate Companies,” dated concurrently with this notice.

Final Results

As a result of this administrative review, we determine that the following weighted-average dumping margins exist for the period September 1, 2013, through August 31, 2014:

Exporter	Weighted-Average Dumping Margin (percent)
Xuzhou Xugong Tyres Co., Ltd., Armour Rubber Company Ltd., or Xuzhou Hanbang Tyre Co., Ltd.	65.33
Qingdao Qihang Tyre Co., Ltd.	79.86
Qingdao Free Trade Zone Full-World International Trading Co., Ltd.	70.55
Tianjin Leviathan International Trade Co., Ltd.	70.55
Trelleborg Wheel Systems (Xingtai) China, Co. Ltd.	70.55
Weihai Zhongwei Rubber Co., Ltd.	70.55

Assessment Rates

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1).¹⁴ The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

For customers or importers of Xugong and Qihang for which we do not have entered value, we calculated importer- (or customer-) specific antidumping duty assessment amounts based on the ratio of the total amount of dumping duties calculated for the examined sales of

¹⁴ See *Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8103 (February 14, 2012) (“NME Antidumping Proceedings”).

subject merchandise to the total sales quantity of those same sales.¹⁵ For customers or importers of Xugong and Qihang for which we received entered-value information, we have calculated importer- (or customer-) specific antidumping duty assessment rates based on importer- (or customer-) specific *ad valorem* rates.¹⁶ For the non-examined separate rate companies, we will instruct CBP to liquidate all appropriate entries at 70.55 percent. For the PRC-wide entity, we will instruct CBP to liquidate all appropriate entries at 105.31 percent.

Pursuant to a refinement in the Department's non-market economy ("NME") practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the NME-wide rate.¹⁷ In addition, if the Department determines that an exporter under review had no shipments of subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the NME-wide rate.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be equal to the weighted-average dumping margin identified in the "Final Results" section of this notice, above; (2) for previously investigated or reviewed PRC and non-PRC exporters that are not under review in this segment of the proceeding but that received a separate rate in a previous segment, the cash deposit rate will continue to be the exporter-specific rate (or exporter-producer chain rate)

¹⁵ See 19 CFR 351.212(b)(1).

¹⁶ *Id.*

¹⁷ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

published for the most recently completed segment of this proceeding in which the exporter was reviewed; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 105.31 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of the antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b). We are issuing and publishing the final results and notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: April 12, 2016.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

APPENDIX

Issues and Decision Memorandum

- Summary
- Background
- Scope of the Order
- List of Comments
- Discussion of the Issues

- Comment 1: Whether Application of Adverse Facts Available Is Warranted With Regards to Certain Xugong Sales
- Comment 2: Whether to Grant Qihang a Double Remedies Adjustment and What Pass-Through Rate to Use
- Comment 3: Whether to Adjust Xugong's U.S. Prices for Irrecoverable VAT
- Comment 4: Treatment of Xugong's Market Economy Purchases
- Comment 5: Whether the Department Should Apply the Separate Rate Calculated in this Review to TWS Xingtai
- Comment 6: Whether the Department Should Reject Certain Surrogate Values Submitted After the *Preliminary Results*
- Comment 7: Surrogate Country
- Comment 8: Financial Statements
- Comment 9: Natural Rubber
- Comment 10: Reclaimed Rubber
- Comment 11: Inland Freight
- Comment 12: Selection Surrogate Value for Carbon Black
- Comment 13: Inadvertent Errors in Surrogate Value Selection
- Comment 14: Selection of the Surrogate Values for #3 and #20 Compound Rubber, Activation Rubber Powder, Benzonic Acid, and Tire Cord Fabric

- Recommendation

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